



**STATE OF TENNESSEE  
COMPTROLLER OF THE TREASURY  
DIVISION OF BOND FINANCE  
SUITE 1600 JAMES K. POLK STATE OFFICE BUILDING  
NASHVILLE, TENNESSEE 37243-0273  
PHONE (615) 747-5370  
FAX (615) 741-5986**

**July 1, 2002**

## **Investor Update**

Although the State General Assembly failed to adopt a budget for the complete fiscal year 2002-2003 prior to July 1, 2002, a limited spending plan, the "Essential Government Services Act of 2002", was adopted for the period, July 1 through July 6, 2002. Pursuant to this Act, as well as other statutory authority, authorization exists to pay or cause to be paid debt service on obligations of the State, its agencies, authorities and instrumentalities, including the Tennessee Housing Development Agency, and to fulfill or comply with any legal requirements relating thereto. Only the State Funding Board (for State General Obligation Bonds) and the Tennessee Housing Development Agency have debt service payments due during this time period (on July 1, 2002). Funds to pay debt service due on July 1 have been wired to the appropriate parties for distribution to bondholders.

The Act authorizes the Tennessee Housing Development Agency, to the extent its executive director deems necessary, to continue to provide rental assistance services through the Section 8 program and to execute the mortgage revenue bond program.

It cannot be predicted whether a partial or full budget will be in place prior to the expiration of the Essential Government Services Act of 2002 nor what effects will result from the failure to adopt a FY 2002-2003 Budget.

Should any investor have any problem, please contact the Division of Bond Finance at (615) 401-7872 or (615) 747-5370.

To receive a personal copy of future Investor Updates, please send your email address to:  
[mary.margaret.collier@state.tn.us](mailto:mary.margaret.collier@state.tn.us)